Mr. Speaker, it is true that there is an increase in the contribution of each of the other 17 countries included in the International Development Bank.

Now, Mr. Speaker, out of these 17 nations, of which we are one, our share is going to be 41.60 percent.

Mr. Speaker, these other nations are not poverty stricken. The United Kingdom is a very rich country today. Business is booming. They have cut their unemployment from 4 percent down to 2 percent at the present time. Indeed, I would venture to say that of these 17 nations the United States of America has probably the largest percentage of unemployment of any of these nations at the present time. Japan is doing well. Their share is 5.50 percent. Germany, which, of course, is considered a modern miracle as far as business and prosperity is concerned, has a share of 9.68 percent. Second to the United States and this is certainly way down from 41.60 percent—we have the United Kingdom with 12.88 percent.

Now, Mr. Speaker, some of us are beginning to say "How long is this going to continue?" True, the International Development Association Act is serving a useful purpose. True, money has got to be given, and it is well that these other countries contribute with us. But could it not be possible to up their share a little and take ours down a little?

Another thing, Mr. Speaker, is this: This bill comes as we all know from the great Committee on Banking and Currency. It seems to some of us that this matter should have been under the jurisdiction of the of the Committee on Foreign Affairs. We have so much proliferation in all of these bills. This is distinctly, it seems, a matter for the Committee on Foreign Affairs to consider along with the foreign aid bill. But, of course, it looks much better to have foreign aid all on one side and to have another bill that comes out of another committee, which makes it look as though it is something totally different, on the other side.

Mr. Speaker, I certainly have the greatest admiration for the great Committee on Banking and Currency. But I am reasonably sure that that great committee has enough to do without taking on some other liabilities and some other work which could well be given to some other committee better fitted for it.

Mr. PASSMAN. Mr. Speaker, will the gentlewoman yield?

Mrs. ST. GEORGE. I yield to the gentleman from Louisiana.

Mr. PASSMAN. Is it not true that most, if not all, of the other contributing nations are recipients of our foreign aid?

Mrs. ST. GEORGE. That is absolutely correct. The gentleman makes a good point.

Mr. PASSMAN. And I believe that some of the nations get back as much as, say, nine times the amount they put into IDA. I am referring particularly to Pakistan.

Mrs. ST. GEORGE. I believe that is so.

Mr. PASSMAN. If the gentlewoman will yield further, let me note that India also is one of the principal recipients—in fact, the major recipient of funds from IDA. India gets back, say, 7½ times the amount of its contribution.

Mrs. ST. GEORGE. There is no question about it. I thank the gentleman. That represents one more reason why I think this should be in the general province of the Committee on Foreign Affairs.

Mr. PASSMAN. If the gentlewoman will yield further, I want to state that, in all probability an amendment will be offered today to cut the sum of the U.S. contribution back to the amount of our pledges in previous years. The other participating nations might possibly then increase their contributions.

Mrs. ST. GEORGE. I am happy to hear that such an amendment will be offered.

Mr. HARVEY of Michigan. Mr. Speaker, will the gentlewoman yield?

Mrs. ST. GEORGE. I am glad to yield to the gentleman from Michigan.

Mr. HARVEY of Michigan. I would submit to the gentlewoman that I serve on the Committee on Banking and Currency, which committee has reported this bill out. With reference to the 17 countries that are participating, I think in all fairness it should be made known to the Members of the House that as far as I know they are not receiving foreign aid. Those countries are: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Italy, Japan, Luxembourg, the Netherlands, Norway, South Africa, Sweden, the United Kingdom. They may be receiving some form of other aid. I certainly respect the gentleman from Louisiana for whom I have the greatest and highest regard, but some of them are receiving military aid but certainly are not receiving economic aid. I would say further that Pakistan is not included here or any other countries of that nature.

Mr. PASSMAN. I should like to say to the gentleman that many of those countries are receiving our aid. It may be called military assistance, but nevertheless it is grant aid.

Mr. AVERY. May I inquire of the gentleman from Louisiana, so the RECORD will be clear: It is my recollection that the Derwinski amendment that established a 2-percent minimum interest rate under the AID program was modified in conference. Just what was the final conference agreement on the interest rate under the AID program?

Mr. PASSMAN. It is my understanding that all of the so-called development loans are to carry an interest rate of 2 percent. But there is no interest rate on the IDA transactions, merely a service charge of three quarters of 1 percent a year.

Mr. AVERY. The gentleman has made the point I wanted to make abundantly clear. I understood there is no interest rate on the funds contained in this bill. There is only a service charge of three-fourths of 1 percent, so-called, which does not even defray the organization's cost, to say nothing of the cost of money to the Treasury which makes it available to the AID.

Mr. GROSS. Mr. Speaker, will the gentlewoman yield?

Mrs. ST. GEORGE. I yield to the gentleman from Iowa.

Mr. GROSS. I want to commend the gentlewoman for the statement she has made with respect to this bill, and would like to observe that I was surprised to hear the gentleman from Michigan try to justify this kind of an outpouring of the taxpayers' money on the basis that we are giving certain foreign nations military aid, but not economic aid. If we are giving them military assistance we are giving them economic aid. If some foreign country would take over even part of the spending for military purposes in this country it would certainly be aiding the economy of this country.

I would like to call the attention of the Members to the report accompanying this bill. It is amazing that the committee practically apologizes for bringing up this bill by saying that other nations ought to be doing more and we ought to be doing less than other nations. It is the same old story all over again of mañana. We will put up the money today and hope that tomorrow or some time in the distant future these nations will pick up the share of the burden they ought to be carrying today.

Mrs. ST. GEORGE. May I say to the gentleman, one thing ought to be clear in our minds, and this has nothing to do with the price of eggs: But what we should remember is that we shall have no control over this money after it is appropriated.

Mr. DELANEY. Mr. Speaker, I have no further requests for time. I move the previous question.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PRESIDENTIAL TRANSITION ACT

Mr. FASCELL. Mr. Speaker, I call up the conference report on the bill (H.R. 4638) to promote the orderly transfer of the Executive power in connection with the expiration of the term of office of a President and the inauguration of a new President, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

Mr. GROSS. Reserving the right to object, Mr. Speaker, I assume the gentleman from Florida intends to take some time to explain what transpired in conference?

Mr. FASCELL. I intend to.

Mr. GROSS. And to refresh our memories as to what this bill contains?

Mr. FASCELL. I intend to do that.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of the right to object.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of February 20, 1964.)

Mr. FASCELL. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, the statement of the managers on the part of the House is completely explanatory of what transpired in the conference. The conference report was unanimous, as was the bill when it came out of the committee and was adopted by the House by an overwhelming vote. The conference report has already been acted upon by the other body.

As you will recall, this bill formalizes by authorizing the funding procedures for the orderly transition of executive power so that certain services will be available to the incoming President between the time of his election and inauguration.

When the bill passed the House we had an authorization limitation of $1,300,000. When the bill was acted on in the other body they had an authorization limitation of $500,000. In the conference we agreed on $900,000 as a reasonable amount, with the expectation that if expenditures went higher than that amount, as we had anticipated in the authorization of the House bill, we could by way of supplemental request take care of the needed additional appropriation.

As the bill passed the House, it had a provision which provided that not more than 20 percent of the total expenditures under the act may be made on the basis of a certificate by the President that such expenditures are confidential and are in accordance with subsections (a), (b), and (d) of section 3 of the act.

There was no such provision in the Senate measure. In conference we agreed on a 10-percent limitation and also changed the language so that it required more than confidentiality in order to permit the exception by Presidential certificate. As agreed to in conference the 10-percent allowance now requires certification by the President that such expenditures are classified and are essential to the national security. This was felt to be a tightening of the language which was desirable and so it was agreed upon in conference.

The other amendment is purely a technical amendment suggested by the Bureau of the Budget and the General Accounting Office and was agreed to without any controversy. It makes the funds available beyond the fiscal year. Since there is a 6-month limitation for services to the outgoing President and the inauguration taking effect on January 20, authorization would have to extend beyond the fiscal year.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. FASCELL. I yield to the gentleman.

Mr. GROSS. Let me ask the gentleman why, if you say you may rely on a supplemental appropriation for spending above $900,000—why did you not agree to a figure of $500,000 for this 2½-month transition period?

Mr. FASCELL. Because we wanted to sustain the position of the House, as nearly as possible, which was $1,300,000 and that is why we decided not to go to the $500,000 figure. Furthermore, evidence we had before us was that $500,000 would not be sufficient. We wanted to fix a practical and reasonable authorization limitation upon which the appropriations should be based. All I said was that, obviously, if it was not enough a supplemental request could be made.

Mr. GROSS. You slid down the pole by $400,000 and the Senate climbed the pole to the tune of $400,000. I suppose that this is the way things will operate around here from now until eternity regardless of the justification for it. The Senate must have justified $500,000 when it approved its bill—at least I would hope it did. The House and Senate now add almost another half million dollars. I just do not understand why.

Mr. FASCELL. I must simply say to the gentleman that the House in its wisdom agreed on $1,300,000 and the conferees on the part of the House thought we did fairly well in trying to sustain the position of the House in reducing it only to $900,000. Of course, I am not a Member of the other body and so I cannot account for any of their actions.

Mr. GROSS. And I do not know that anyone else can, but that is somewhat beside the point.

Mr. FASCELL. I understand the gentleman's point.

Mr. GROSS. Is there anything connected with a President or a Vice President—but let us take a President—that is not considered to be the interest of national security if someone wants to so interpret it, and does this bill mean that the President of the United States can spend this $900,000 without any accounting to the Congress?

Mr. FASCELL. No, sir, it does not.

Mr. GROSS. Will the gentleman break it down for me? I could not follow the gentleman precisely. Perhaps I am not observant enough.

Mr. FASCELL. No; the gentleman is very observant as usual. The authorization, of course, will have to be funded by appropriations and will be very thoroughly accounted for, as to whatever the request is.

Mr. GROSS. And that $900,000 will be turned over?

Mr. FASCELL. No, sir; that is the authorization limitation.

Mr. GROSS. Well, let us say that Congress appropriates $900,000. It is turned over to a President-elect. How much of that money does he account for in his spending?

Mr. FASCELL. All of it.

Mr. GROSS. To whom does he account? To whom does he make the accounting?

Mr. FASCELL. He accounts for it in the regular way that he now accounts for the expenditure of funds appropriated to the President.

Mr. GROSS. So that nothing is withheld on the understanding that it is for national security or for any other reason?

Mr. FASCELL. The bill provides that he may, on his certificate that such expenditures are classified and are essential to the national security spend up to 10 percent of the funds expended under the act.

Mr. GROSS. I see. The remainder of it is to be subject to an accounting?

Mr. FASCELL. The gentleman is correct.

Mr. GROSS. By the General Accounting Office, or whom?

Mr. FASCELL. By the normal processes which now exist, whatever they are.

Mr. GROSS. Is the $900,000 to cover both the President-elect and Vice-President-elect?

Mr. FASCELL. Yes.

Mr. GROSS. Would this cover the cost of the jet planes and the Cadillacs to be assigned to them during the interim period?

Mr. FASCELL. If such were assigned to them, I would assume they would be covered in the budget request.

Mr. GROSS. That will not be in addition thereto?

Mr. FASCELL. Whatever the services are, itemized in the bill, are authorized and which would be covered by the appropriation. Since the authorization fixes those services, one could not go beyond that.

Mr. GROSS. Would the gentleman say that this would relieve the Republican and Democratic National Committees of any further necessity of providing funds for a President-elect and a Vice-President-elect?

Mr. FASCELL. We would hope that this is the idea. We felt it was beneath the dignity of a President-elect of the United States to seek and request funds so that he could do the necessary things to properly move himself into the office of President.

We felt also, on a bipartisan basis, that it was not proper for the national political parties to do this. Therefore, in answer to the gentleman's question, it is the hope that neither of the national committees will have to expend any funds with respect to the orderly transition of a President-elect into the Office of President.

Mr. GROSS. Would the gentleman believe that this would bring about a diminution in the $1,000-, $500-, and $100-a-plate dinners which are being staged, I believe largely by the Democrats? I am not sure of that. Would the gentleman believe this would bring about a diminution in that situation?

Mr. FASCELL. The gentleman is an incurable optimist. I have always highly regarded him for that reason.

Mr. Speaker, I wish to yield some time to my distinguished colleague on the minority side, the gentleman from Illinois [Mr. ANDERSON]. I yield to the gentleman 5 minutes or such time as he may require.

Mr. ANDERSON. Mr. Speaker, I thank the gentleman from Florida for yielding.

As one Member on this side of the aisle who looks forward to the necessity for passage of this legislation come November 3, 1964, I urge the Members on this side of the aisle to support this proposal.

The bill passed the House in July of last year by an overwhelming margin, 343 to 29.

This proposal resulted from recommendations of a bipartisan commission in 1962. Recommendation No. 8 of the Presidential Commission on Campaign Costs was to the effect that it would certainly be preferable to have the expenses of transition borne by the Federal Government rather than to have the political parties raise the moneys, with all of the dangers which I believe are inherent in that kind of situation.

The hearings were held before the subcommittee of which I am a member, along with the gentleman from New York [Mr. HORTON]. Both the chairman of the Republican National Committee and the chairman of the Democratic National Committee had representatives present to testify in favor of the legislation.

The gentleman from Michigan [Mr. STAEBLER] was one of the members of the Commission. I believe a former Republican Member of the House was also a member of the Commission which recommended this legislation.

The amendments have been quite adequately described by the gentleman from Florida. I believe they make it a better bill.

One amendment in particular tightens up the requirement as to expenditures which are confidential. Under the measure those have to relate to matters which are classified and which relate to national security. I believe the amendment tightens up this feature of the bill which caused some concern to some of the Members of the House when we discussed it last July.

I believe it is a good bill. I earnestly hope it will have the unanimous support of the Members on this side of the aisle as well as the Members on the other side of the aisle.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON. I yield to the gentleman from Iowa.

Mr. GROSS. Does the gentleman anticipate that in the near future there will be a candidate for the Presidency who is something less than a multimillionaire?

Mr. ANDERSON. Well, yes. I would sincerely hope that the contenders for that office would not for all time to come be limited to men of great fortunes.

Mr. GROSS. I would hope so, too, but I wonder. I wonder whether a man of moderate means is going to get near the Presidency in the years to come. Those we have had recently were wealthy, or who became wealthy in or near the office of President.

Mr. ANDERSON. Hope springs eternal. I am sometimes little bit discouraged, just as the gentleman from Iowa is, but hopefully that situation can be changed, too.

Mr. FASCELL. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

CALL OF THE HOUSE

Mr. HALL. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore (Mr. BOGGS). Evidently a quorum is not present.

Mr. MILLS. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 42]

Alger	Dowdy	Rhodes, Ariz.
Ashley	Forrester	Roberts, Ala.
Bolling	Harsha	Roberts, Tex.
Broomfield	Hosmer	Senner
Brown, Ohio	Kelly	Sibal
Burleson	McIntire	Sisk
Chelf	Mailliard	Smith, Calif.
Clausen, Don H.	Martin, Calif.	Thompson, N.J.
Cramer	Murray	Tollefson
Davis, Tenn.	O'Brien, Ill.	Whalley
Diggs	Pillion	Wilson, Charles H.
Dingell	Poage	
	Powell	

The SPEAKER pro tempore (Mr. BOGGS). On this rollcall, 389 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

REVENUE ACT OF 1964

Mr. MILLS. Mr. Speaker, I call up the conference report on the bill (H.R. 8363) to amend the Internal Revenue Code of 1954 to reduce individual and corporate taxes, to make certain structural changes with respect to the income tax, and for other purposes, and ask unanimous consent for the statement of the Managers on the part of the House to be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of February 24, 1964.)

Mr. MILLS (interrupting the reading). Mr. Speaker, in view of the length of the statement, I ask unanimous consent that further reading of the statement be dispensed with.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. MILLS. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, it was 13 months ago yesterday, on January 24, 1963, that the late President Kennedy sent to the Congress his tax message. We are now reaching the final stages of legislative consideration of that tax message.

Before going into a discussion of the conference report itself, I wish to take this opportunity once again to state the implications of this legislation, which will be known as the Revenue Act of 1964, for the fiscal policy of the United States.

As we said last September, in our humble judgment this legislation meets the requirements of fiscal responsibility. It is a part of an overall program to conduct the affairs of the Federal Government in such a way that a balanced budget can be achieved in an economy which is growing rapidly, providing adequate employment and investment opportunities, making full use of its capital and human resources, and giving the fullest possible play to the initiative and venturesomeness of the private sector of the economy.

This bill has been referred to as a historic piece of legislation. It is that, Mr. Speaker, not merely because it provides the largest tax reduction in our history but also because of the fact that it is explicitly aimed at achieving the objectives which have just been enumerated.

We cannot and should not, of course, expect miracles from this bill. It will not eliminate overnight all poverty in the United States and make depressed areas only an ugly memory. It will not immediately reduce unemployment below 4 percent and guarantee profitable operations for every single business conducted throughout the country. It will not for all time eliminate business cycles, nor will it overcome immediately all the economic dislocations occurring in this dynamic and technically progressive country. It will not prvoide an instant cure for our balance-of-payments deficits.

Mr. Speaker, this legislation will, however, contribute to and make possible a very substantial increase in the level of total economic activity in the country and thus increase the gross national product, and in turn it will contribute to fuller use of our growing labor force and stock of capital in the United States, determined not by Government decision but by private decisions. It will specifically increase the overall profitability of business and enhance the financial capacity and incentives of business for investment. It will increase the attractiveness of investment in the United States compared to investment abroad, and in this way materially reduce the net outflow of private long-term capital from the United States, which is, as we know, one of the major sources of our balance-of-payments problem.

This tax bill will greatly increase the prospects for success and reduce the costs of public and private programs for reducing poverty, eliminating depressed areas, and facilitating adjustments by labor and business to the dynamics of our economy.

All of us know, of course, that this is not the final word in the field of tax policies. This bill should be followed in the course of time by other bills aimed at the objective which this bill has in mind. Mr. Speaker, that objective can be accomplished if we will bear in mind that all that is required in return for doing so is the executive departments and the Congress and the American people working together to bring about very close and tight rein on the spending levels of Government.

I would take it, Mr. Speaker, that the American people in accepting this action by the Congress are hoping that we can make it one of the Nation's habits to believe in economy in operation of Government in order that the tax road avenue may not be discontinued or misused in the future. We must be careful as we proceed after the enactment of this legislation, for even a 1-year detour from our determination to hold a tight rein on Federal expenditures can get us off this track and make impossible further